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CIA/OPR /75-305M THE ARAB WORLD IN THE 1980s
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THE ARAB WORLD IN THE 1980s
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The conventional view of the modern Arab world has cast it in terms of a struggle for political control between revolutionaries and conservatives. This frame of reference is no longer applicable; indeed, to use it would distort reality, for the most important Arab countries are entering a post-revolutionary era. Such is the key conclusion of this short document, which itself is an overview of a research study "The Arab World in the 1980s" (OPR-305), which develops at substantially greater length the themes and arguments sketched out below.

There is a good deal of evidence that the Arab world is entering a period which can be characterized as exhibiting, if not the end of ideology as a political engine, then the maturing of abstract ideology into specific, mostly nationalistic, identifications. Pan-Arabism, developed in the struggle to end European colonial domination, has lost almost all its appeal to Arabs since the liberation of their lands was achieved. New rulers and, more importantly, new ruling classes, freed from the reputation and stigma of foreign collaboration, are now in charge. They have become the governing "haves" who have little to gain and much to lose by further abrupt political and social change. Committed

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MEMBERS OF THE ARAB LEAGUE



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to particular, essentially local goals, the horizons of these ruling groups have narrowed geographically and their aims have become more limited.

In several states, the rulers are riding a tide of greater sobriety and of more limited and practical objectives than had their predecessors. In addition (albeit this is a hypothesis which must be further validated by time), it appears that even the very conservative Arab states themselves will face diminished revolutionary threats from within their own borders. The disappointments and failures of past revolutions in a number of Arab lands have removed much of the popular appeal of drastic upheaval as a solution to problems in others.

These developments can be seen clearly in the context of specific examples. Algeria and Syria, still frequently referred to as "radical," are the bellwethers. Their leadership and outlook have changed in the past ten years to something considerably more "moderate," oriented to local, particularist goals, and focused on pragmatic achievements rather than pursuit of abstract aims. Until 1965 the Algerian leadership, and until 1970 that of Syria were dedicated to the export of their own brand of revolutionary dogma. Their successors (Boumediene in Algeria and Asad in Syria) have been no less activist, but their goals have been set by the pursuit of what they consider their national interests rather than general anti-colonialist, socialist, or pan-Arab principles.

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The trend is not complete, however, as can be seen in the case of Libya. There a comparatively new, revolutionary pan-Arabist regime has become a prisoner of its own rhetoric. It is attempting, so far unsuccessfully, to evangelize its dogmas beyond its borders. On the other hand, there is the example of Jordan, a conservative Arab state which has escaped political upheaval. The decline of the prestige of Arab revolution, its failures elsewhere, and the perceptible development of Jordanian national institutions has given that state a strength it lacked a few years ago.

These conclusions bear distinct implications for political life in most Arab countries. The stature and importance of any particular leader will diminish. Even though Arab politics remain intensely personal, no single individual will so epitomize a political system as to be indispensable. Rather, systems and processes (perpetuated by entrenched national bureaucracies) will continue no matter which person is in power at any particular time. Those functioning in such systems will tend to eschew dogma and slogans in favor of specific national -- even local -- goals. This is most likely to be the case in the more mature, sophisticated, and post-revolutionary Arab nations, e.g., Egypt, Syria, and Algeria. But the trend will also be seen in more primitive and conservative countries -- Saudi Arabia and Morocco, for example -- where individual leaders' ideas and methods are of greater importance.

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The validity of this judgment will be severely tested in the next decade by developments amongst the Palestinian Arabs. The moderate leaders of the PLO are challenged by the "rejectionists" who represent the ideological tradition of Arab politics. For the next several years, however, the moderates will have much going for them in the form of support from Saudi Arabia, Egypt, and Syria. But the PLO leaders can count on backing only for more modest and limited objectives than a grand pan-Arab crusade against Israel -- essentially recognition of Israel within the 1967 borders and a Palestine state in what remains.

The Arab-Israeli dispute remains the factor most seriously capable of nullifying the continued predominance of a relatively moderate and pragmatic leadership in Arab lands. Many of those now ruling there probably wish the problem would go away or even that they could safely ignore it, though they cannot in fact do so. The issue of Palestine began arousing intense Arab emotions in the 1920s and 1930s. The traumas of four major wars, the continued existence of 1.5 million unassimilated and embittered Palestinian refugees, the rise in prestige of various fedayeen groups, the constant area-wide propaganda, and genuine elite and mass emotion on the subject have made the Israeli dispute one that no Arab leader can ignore.

There are some broad alternative lines of development in future Arab-Israeli relations. Each would be formative of

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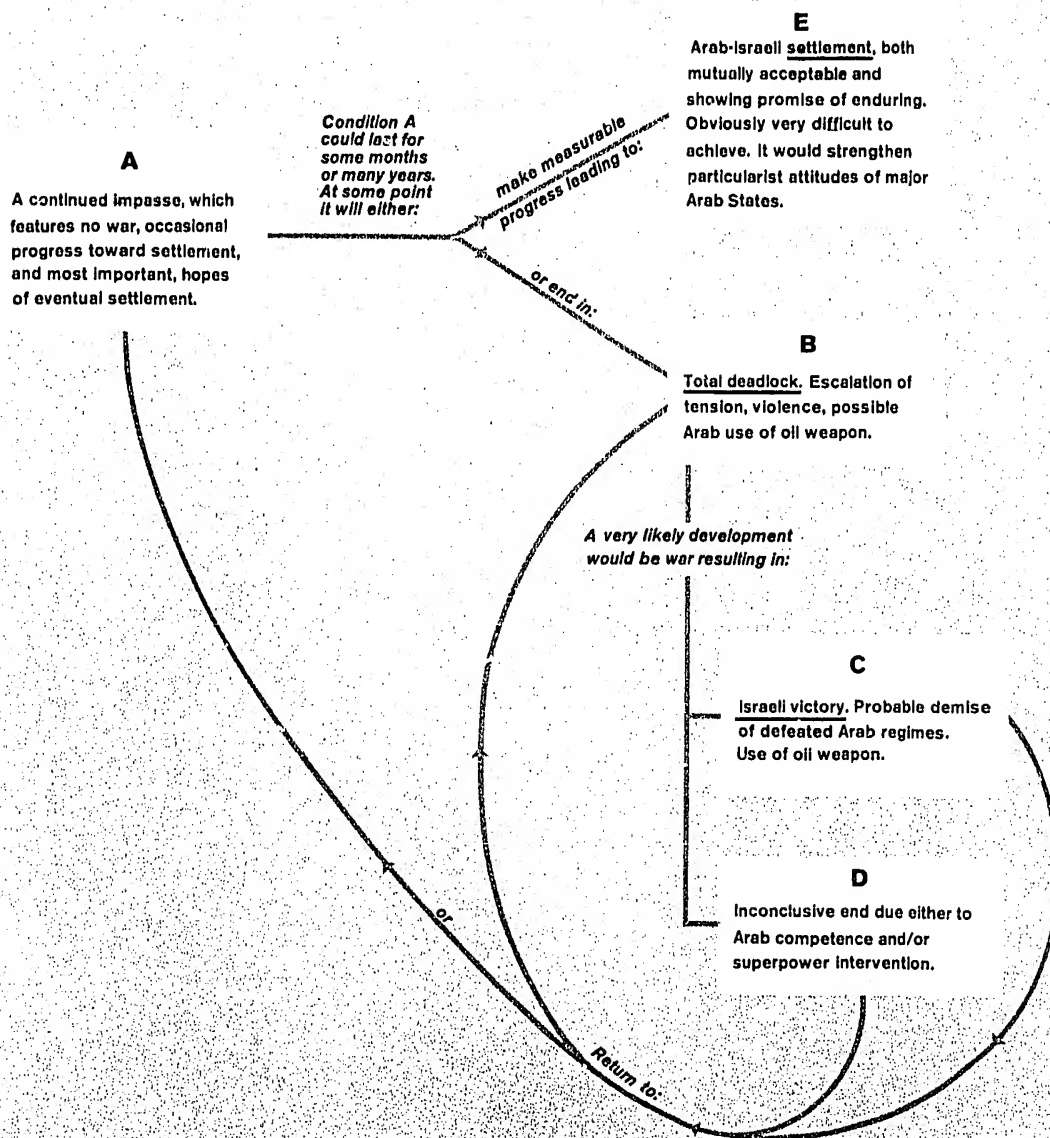
successive events in Arab domestic and regional politics. Five basic scenarios, beginning with the current impasse, are presented in brief in the attached schematic diagram. These embrace the most likely contingencies, are not mutually exclusive, and allow for repetitions in the cycle.

Though no estimate is more perilous to make, the chances appear brighter than in the past two decades that some basic easing of the Arab-Israeli situation will take place over the next several years. While the decline of pan-Arabism as a political force has not been accompanied by any general weakening of Arab feelings on the issue of Palestine, it has changed some equations of power in the area. For all their sentiments on the matter, the rulers of Egypt and Syria are emphasizing specific, attainable national objectives, i.e., the return of the Sinai peninsula and the Golan Heights, rather than a united crusade to eliminate the state of Israel. The more realistic Palestinians (and this does not include the rejectionists) are probably aware that they can no longer hope for uncritical Arab support for any of their demands, and that they probably must settle for a reduced, but functioning Republic of Palestine.

Further, there is some reason to anticipate that even further Arab disasters on the battlefield -- though they would be severe trauma -- would not automatically plunge the Arab world into a new era of dogmatic extremism, any more than they have in the Syria

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Arab-Israeli Scenarios



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of today. Thanks to their new wealth and power and the ensuing confidence coming from oil, the Arabs will be able to deal with the Israelis from a position of strength they have never had before. Many of Israel's former Western supporters will be forced to mute or reverse their stand -- as some already have. Any conceivable series of Israeli victories will be followed, probably at a rapid pace, by Arab rearmament combined with increasingly severe pressure on Israel's friends among the oil consumers.

Despite the residual, very deep Palestinian-Israeli hostility, there would be factors on the Arab side working to keep the Palestinian extremists contained were there a settlement. The endorsement of, and commitment to, a limited peace settlement by such countries as Egypt, Saudi Arabia, and Syria would take much of the force and steam out of the Palestinian irredentists and their supporters. Finding themselves in a poor over-crowded country dependent on very large outside subsidies, realizing they were beholden to wealthy and powerful states interested in keeping them restrained, they would find it difficult to keep their cause in the forefront as a pan-Arab or a major international problem.

The same factors which have made Saudi Arabia and Egypt the two most important Arab countries will remain operative for the foreseeable future. Saudi resources and wealth on the one hand, and Egypt's strategic location, military power, and cultural paramountcy on the other will ensure that both will play leading roles

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in the Middle East. In an Arab world wherein revolutionary ideology and zeal have lost so much appeal, these relatively conservative regimes have a good chance of surviving -- or of being succeeded by like-minded ones.

Saudi Arabia is the archetype of the oil-rich underdeveloped states whose principal problem in the years ahead will be how to spend its huge revenues. On the one hand it wishes to develop a solid infrastructure which can support an advanced industrial economy. But this will require a far larger number of engineers, economists, technicians, skilled laborers, etc. than the country itself can provide. Saudi statistics themselves show the dimensions of the problem. In the late 1960s, when revenues were a fraction of what they are now and exchange reserves were much less, the Saudi Central Planning Organization projected its labor needs for 1970-1975.

| Category | Need | Supply | Shortfall |
|----------------------------|--------|--------|-----------|
| Professional..... | 11,700 | 7,200 | 4,500 |
| Managerial..... | 4,000 | 1,700 | 2,300 |
| Technical..... | 8,500 | 4,000 | 4,500 |
| Skilled & Semi-skilled.... | 62,000 | 16,000 | 46,000 |

Clearly a Saudi Arabia accumulating reserves of \$50-100 billion by 1980 will have to rely heavily on outside skills to make large-scale economic development possible. But it is open to question as to how far the government in Riyadh will permit the traditional Saudi society to be overwhelmed by a massive influx of foreigners. It will continue to rely first of all on local talent. But it

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might also opt for a reduced development program and accept only limited numbers of outsiders, thereby increasing its unspent reserves even more. In any event, any Saudi who wants can have an important stake in the country's future, a circumstance which will continue to make for stability in this country whose innate conservatism extends to the present college-age generation. The educated Saudi does not contest established political, religious, and social values; he does contest anachronistic practices. If his desires evoke a regime's response of gradual adaptation to changed conditions, the educated Saudi is not a threat, but an asset.

At the same time there will always be some danger that a Qaddafi-like zealot in Saudi Arabia will try to seize power in a coup reminiscent of the 1969 Libyan one. Though there are some similarities with respect to conditions in Libya and Saudi Arabia, political and social conditions in the latter country are far less amenable to a radical insurgency. In addition -- thanks to its huge oil reserves and great wealth -- the maintenance of a relatively conservative and stable Saudi regime has become so important to its large and well-armed neighbors (including Iran and Egypt) that external intervention in the event of a coup attempt would become so likely as to minimize its prospects of success.

While retaining its residual importance to the Arab world, Egypt will continue to suffer from serious domestic economic problems. Short on natural resources and with too many people, it will

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probably view its wealthy Arab neighbors with a mix of envy and acquisitiveness. For domestic economic conditions to improve substantially over the next several years, Egypt will need large and continuing inputs of hard currency. In these circumstances the degree of cooperation, or lack of it, between Egypt and Saudi Arabia will remain of utmost importance, both to the two countries themselves and to the Arab world in general. If Egypt continues to remain ruled by a pragmatic, non-ideologically committed type of leadership, the present political and economic cooperation between Riyadh and Cairo has a good chance of lasting even were the Arab-Israeli dispute defused. Egypt appears likely to continue the broad lines of Sadat's policy -- roughly characterized as bourgeois nationalism.

Even so there will remain the possibility of a new militant and activist leadership taking over in Egypt and becoming the leaders of the Arab have-nots in a new ideological crusade against the oil-rich haves. Given Egypt's power and influence in the area, such a move would greatly revive intra-Arab tensions, possibly to the point of bringing on a new cold war in the region. Even in the absence of such extreme developments, Egypt will probably never, psychologically, be satisfied with its lot as compared with its affluent fellow Arab nations and will regularly exert some kind of pressure for a more equitable division of resources.

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Most other Arab countries will remain of less importance to the area and to the outside world, the US included, but the degree will vary case by case. Some, because of their small size, poverty, or remoteness will probably be of minor international consequence save as suitors for support and aid from stronger outside powers. These would include such states as the two Yemens, Mauritania, Somalia, Tunisia, and Sudan. Others will be of much more importance, e.g., Syria and Jordan because of their deep involvement in the Arab-Israeli dispute and in any possible resolution of that crisis.

So too will Iraq, because of its great wealth (it has the potential to be second only to Saudi Arabia as an oil exporter), its size, and military power. Since the overthrow of the Iraqi monarchy in 1958, Iraq has been unable to realize its potential as a major Arab power. It has suffered from serious internal communal divisions, has been ruled by small cliques who seized power in coups and governed by repression, and has been involved in chronic disputes with neighbors. In early 1975 the regime in Baghdad took steps to ameliorate some of these problems, notably by coming to a detente with conservative, militarily powerful Iran. In so doing, a long-standing border dispute was resolved and the government was able to crush a chronic rebellion by the Kurds in northern Iraq.

This pact with Iran may signal, as some Iraqi leaders proclaim, the beginning of a new era of more practical and moderate

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rule, featuring Iraqi concentration on massive internal development programs and amicable relations with its neighbors. But this is still open to question. The Iranian detente was soon followed by worsening relations with Syria. Suspensions and rivalries between Iraq and its Persian Gulf neighbors -- including the small, weak oil producers and even Iran -- remain. Iraqi-Iranian rivalries, though now muted, will continue to have major potential for danger. The two countries maintain powerful and destructive military forces; both would be tempted to use them in the event of troubles or insurgencies in the small weak Persian Gulf states; in the worst (but not inconceivable) case, developments could deteriorate into a full scale war between Iran and Iraq. Such a conflict could be both highly destructive and threatening to world economic order; refineries and other facilities could be destroyed and peaceful trade in the entire oil-rich Persian Gulf jeopardized.

Other oil-producing Arab states, including Algeria, Libya, and the small Persian Gulf states, will continue by virtue of control of petroleum to remain of international consequence. None will have much military power in its own right; economic leverage will derive from membership in such organizations as OPEC and OAPEC. The tide of sobriety, practicality, and localism apparent in Egypt, Algeria, and Syria is beginning to reach most of these states. The chances for stability appear fairly good, though

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by no means certain. In any event -- as demonstrated by the concerted but generally futile efforts of the activist, pan-Arab regime in Libya -- none by itself would be able to have any major impact on overall Arab political life.*

If "great power" implies that a country has the ability significantly, even vitally, to affect the future of many other states and the world as a whole, then some Arab nations, i.e., those in military confrontation with Israel combined with those belonging to OAUPEC, are great powers now.

Internationally, Saudi Arabia and the other oil producers are unlikely to exert much direct political pressure save in the case of the Arab-Israeli dispute. With their implied or actual use of the oil weapon, they will exert very strong -- and perhaps decisive -- influence on Israel's friends in the West to achieve Arab aims. As alternate, non-OPEC energy sources come on stream, this Arab political influence will begin to diminish, probably at some time in the early 1980s, but will remain an important factor in world politics for the rest of the century. In this period there will

* Morocco, though not an oil producer, will remain of some mark in intra-Arab and world politics thanks to its size, strategic location, and substantial mineral wealth. Its political future must be viewed as an uncertain one principally because of the shaky tenure of King Hasan and the traditional political and social system he directs. Though the country could continue peacefully as it has for many years, it could at worst see a disruptive and troubled political life not unlike that of Iraq over the past decade.

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always be some danger that reckless or ill-advised policies by the oil producers could produce such severe economic and financial distress as to provoke an armed confrontation. Today's Arab leaders do not wish this, but the danger will remain.

Were a producer-consumer confrontation to culminate in military action by the Western consumers and Arab oil facilities to be seized and more or less permanently held and operated by force of arms, there would be entirely new situations for occupiers and occupied alike in the Arab world. Military control would be much easier to achieve than to sustain, and the Arabs would become obsessed, probably to the exclusion of other goals, with the objective of expelling their conquerors. In the longer term, both the oil producers and consumers would likely be the losers for the experience.

Even were the Palestine dispute defused, Arab oil power and wealth will remain until petroleum ceases to be essential to the economies of the Western world at least well into the 1980s. This will mean that the strong and wealthy Arab countries, (with the possible but by no means certain exception of Egypt) will no longer of necessity look either to the US or USSR for tutelage, patronage, or political support. Nor will they feel they must automatically turn to the other superpower if relations with its rival deteriorate. Both superpowers may continue to be arms suppliers, but this will no longer translate into the political influence that it once did.

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Thus Moscow now finds itself on extremely bad terms with Cairo, despite heavy military and political support given even in crisis periods of high risk, aid projects such as the Aswan Dam, a mutual treaty of friendship, substantial economic aid, and so on. Sadat's turn from the USSR to the wealthy Arabs for alternative financial backing and arms supplies seems indicative of a probable permanent shift in attitude of most important Arab nations in the future: a diminished sense of dependence on any non-Arab power, given the new wealth and strength in the Arab world itself -- the post-revolutionary phase in its international aspect.

Barring cataclysmic developments in either an Arab-Israeli war or an oil producer-consumer crisis, (or possibly a new Arab cold war with a radical Egypt pitted against the wealthy Arabs) overall Soviet prospects in most important Arab countries are probably poorer than those of the US. This is so principally because Moscow will be able to offer fewer mutually advantageous economic and financial relationships such as investment opportunities, markets, trade, or technical assistance.

Whatever the course of Palestine developments, more likely will be closer Arab links with Japan and West Europe at the expense of the USSR and possibly the US as well. Not merely will these powers remain the rich Arab's major customers, important sources of technology, objects of investment, and potential arms suppliers, but they pose little threat of seeking to acquire

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a military presence or political dominance. Relations would be mainly of a commercial and economic nature with neither the Arabs nor their trading partners able to deal with the other save as equals. By contrast, Moscow and Washington, with their immense military and economic powers, will probably be viewed warily by all but the poorer, weaker Arab states which need subsidy and support.